



Electricity Oversight Board

Daily Report for Monday, May 26, 2003

On Monday, the average zonal prices for SP15 at \$40.23/MWh and NP15 at \$36.12/MWh increased sharply from Sunday's low price of roughly \$2.5/MWh. Congestion on Path 26 in the North-to-South direction occurred for four hours and resulted in a split for the average zonal prices. Although indicating factors pointed to lower prices such as

- Lower loads associated with the Memorial Day holiday.
- Lower average natural gas price that was down by five percent on Friday.
- Moderate temperatures that remained at about 70 degree, with the exception of North California at roughly 80 degrees.
- Potential for over generation for the hours between 1a.m. and 9 a.m. in the amount of 1,000 MW that partly resulted in lowering the average zonal price.

However, the average zonal price sharp increase was partly due:

- Increased unplanned generation by roughly 1,500 MW for the entire day.
- Congestion on Path 26.
- Reduced import capacity on Summit branch group.

The peak price at above \$95/MWh that occurred at 10:00 p.m. could have been the result of reduced generation for the period that generator units are ramping down.

The CAISO changed the transmission line capacity rating for the Summit branch group in the import direction from 120 MW to 59 MW between hours 1a.m. and 6 a.m., to 50 MW for 7 a.m., to 21 MW between hours 8 a.m. and 9 a.m., to 0 MW between hours 10 a.m. and 3 p.m., to 21 MW between hours 4 p.m. and 11 p.m., and to 26 MW for 12 p.m.

Figure 1 - SP15 & NP15 7-Day Rolling Average Prices

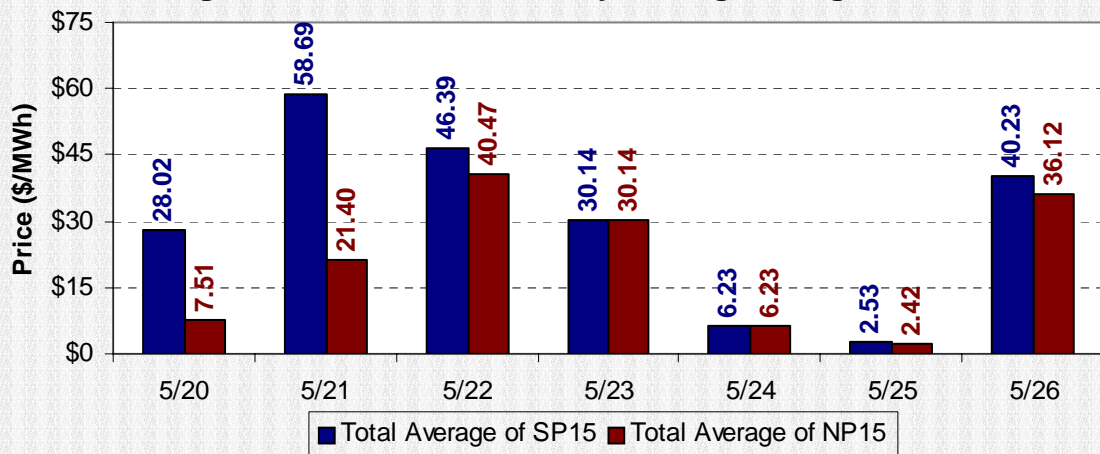
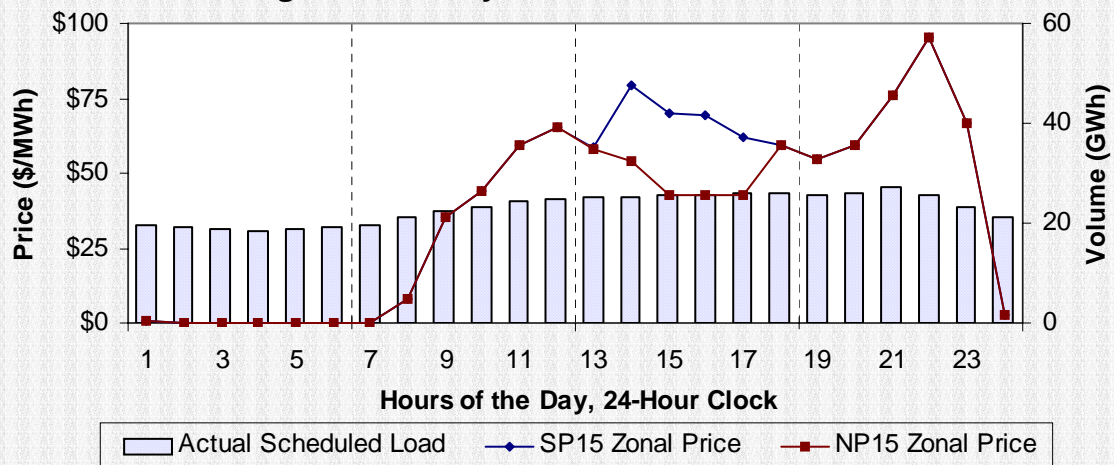


Figure 2 - Hourly Zonal Price and Volume





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Figure 3 - On-Peak Average Price by Market Area

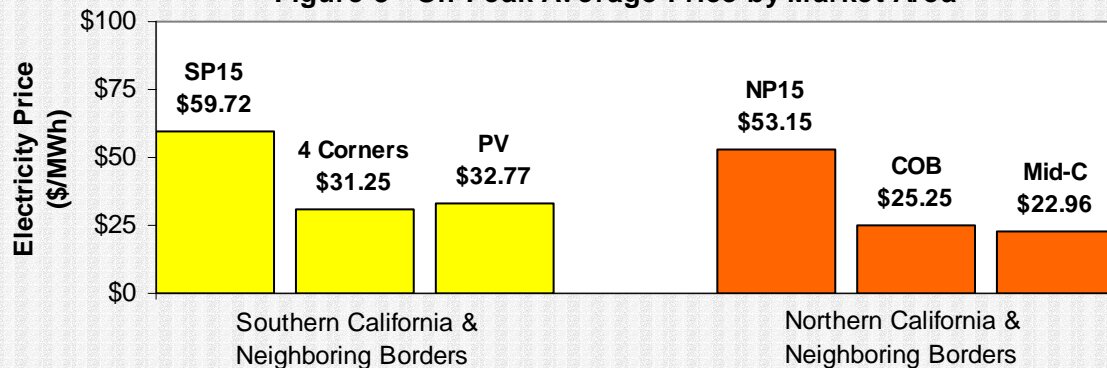


Figure 4 - Seven Day Snapshot of NP15 Zonal Price

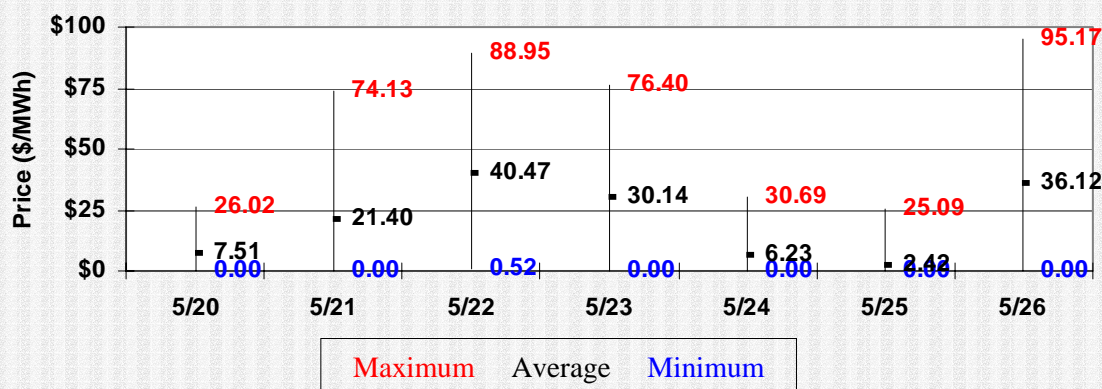


Figure 5 - Average Natural Gas Price

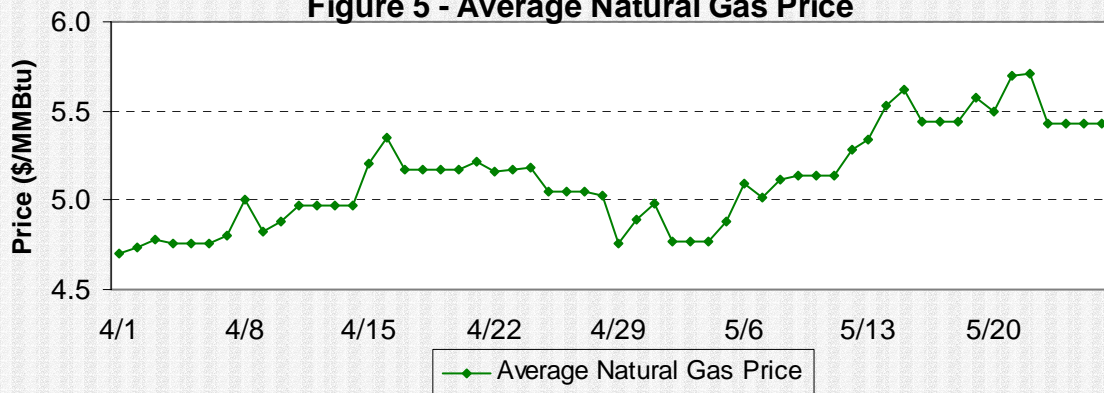


Figure 6 - Average Daily Zonal Price & Total Actual Load

